

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88210  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-144  
June 1, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.  
For downstream facilities, submit to Santa Fe office

**Pit or Below-Grade Tank Registration or Closure**

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☒

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☒

Operator: <u>CHESAPEAKE OPERATING, INC.</u> Telephone: <u>432-687-2992</u> e-mail address: <u>BCOFFMAN@CHKENERGY.COM</u>		
Address: <u>P.O. BOX 11050 MIDLAND, TEXAS 79702-8050</u>		
Facility or well name: <u>ANADARKO FEDERAL WELL #2</u> API #: <u>30-015-32852</u> U/L or Qtr/Qtr <u>M</u> Sec <u>4</u> T <u>18S</u> R <u>31E</u>		
County: <u>EDDY</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/>		
Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input type="checkbox"/> Indian <input checked="" type="checkbox"/>		
<b>Pit</b> Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Pit Volume <u>12,129</u> bbl	<b>Below-grade tank</b> Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not: _____	<b>RECEIVED</b> <b>APR 13 2006</b> <b>OCU-MI/EDM</b>
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.) <u>155'</u>	Less than 50 feet 50 feet or more, but less than 100 feet 100 feet or more	(20 points) (10 points) 0 (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes No	(20 points) (0 points) 0
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points) 0
<b>Ranking Score (Total Points)</b>		<b>0</b>

**If this is a pit closure:** (1) Attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: (check the onsite box if you are burying in place) onsite ☒ offsite ☐ If offsite, name of facility: \_\_\_\_\_. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☒ Yes ☐ If yes, show depth below ground surface \_\_\_\_\_ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

Additional Comments:
A SIDE DEEP BURIAL TRENCH WAS EXCAVATED NEXT TO THE PIT. THE TRENCH WAS LINED WITH A 20 MIL SYNTETIC LINER. THE PIT CONTENTS WERE THEN PLACED INTO THE LINED TRENCH. THE SIDES OF THE TRENCH WERE FOLDED OVER THE CONTENTS AND A TOP COVER OF 20 MIL SYNTHETIC LINER WAS SEWED IN PLACE. THREE FEET OF TOP SOIL WAS PLACED ON TOP OF THE LINED TRENCH AND COMPACTED. THE ORIGINAL PIT WAS BACKFILLED WITH CLEAN SOIL, COMPACTED, AND LEVELLED TO GRADE. CONFIRMATION SAMPLES WERE TAKEN FROM THE EXCAVATED PIT PRIOR TO BACKFILLING AND ARE ATTACHED. THE PIT CLOSURE WAS STARTED ON MARCH 21, 2006 AND COMPLETED ON APRIL 11, 2006.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	
Date: <u>4/11/06</u>	
Printed Name/Title: <u>CLIFF BRUNSON, PRESIDENT, BBC INTL.</u>	Signature: <u>Cliff P. Brunson</u> FOR CHESAPEAKE OPERATING, INC.
Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or	
Approval:	
Printed Name/Title: _____	Signature: _____ Date: <u>APR 17 2006</u>
Accepted for record - NMOCD	

PLEASE NOTE: Liability and Damages. Cardinal's liability and client's exclusive remedy for any claim arising, whether based in contract or tort, shall be limited to the amount paid by client for analyses. All claims, including those for negligence and any other cause whatsoever shall be deemed waived unless made in writing and received by Cardinal within thirty (30) days after completion of the applicable service. In no event shall Cardinal be liable for incidental or consequential damages, including, without limitation, business interruptions, loss of use, or loss of profits incurred by client. Its subsidiaries, affiliates or successors arising out of or related to the performance of services hereunder by Cardinal, regardless of whether such claim is based upon any of the above-stated reasons or otherwise.

ORDINAL LABORATORIES, INC.

2111 Beechwood, Abilene, TX 76903, 101 East Marland, Hobbs, NM 88240  
(915) 673-7001 Fax (915) 673-7020 (505) 393-2325 Fax (505) 393-2476

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# CHAIN-OF-CUSTODY AND ANALYSIS REQUEST

Company Name: BRC International, Inc.										B/E/10		ANALYSIS REQUEST	
Project Manager: Cliff Johnson										P.O. #:			
Address: P.O. Box 847										Company:			
City: H665										Address:			
Phone #: 397-6788										City:			
Project #:										State:			
Project Name: Anadarko										Adn:			
Project Location: Loco H. Hill										Address:			
Sample Name: Cliff Johnson										City:			
Matrix:										State:			
PRESERV										Zip:			
DATE										TIME			
Lab I.D.										Sample I.D.			
H1097T-1										P. & B. Hill			
C 1										DATE		TIME	
LAB DR (C) COMP.										GROUNDWATER			
WASTEWATER										SOIL			
CRUDE OIL										SLUDGE			
OTHER:										ACID/BASE:			
ICE / COOL										OTHER:			
DATE										TIME			
CLORIDE													